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C O N F I D E N T I A L SECTION 1 OF 4 ATHENS 8268

LIMDIS

EO 11652: GDS

TAGS: MARR GR US

SUBJECT: US-GREEK BASE RIGHTS NEGOTIATIONS - SOFA SUBGROUP

SESSION OCT 20-26

REFS: (A) ATHENS 8227; (B) ATHENS 7166; (C) STATE

225772; (D) ATHENS 7203; (E) ATHENS 7303

SUMMARY: IN LONG AND INTENSIVE NEGOTIATIONS, AN INITIAL REVIEW OF THE LATTER HALF OF US-PREPARED DRAFT OF NEW BILATERAL SOFA IMPLEMENTING AGREEMENT WAS COMPLETED, THE FIRST HALF HAVING BEEN EXAMINED IN SEPTEMBER. IN ADDITION, MANY FURTHER MODIFICATIONS WERE INCORPORATED IN PROVISIONS REVIEWED IN SEPTEMBER SESSION, RESULTING IN AD REFERENDUM AGREEMENT ON MOST ISSUES AND CLEARER DEFINITIONS OF THE DIFFERENCES ON REMAINING ISSUES. THESE LATTER WERE (A) STATUS OF MILITARY TOURISTS, (B) DEFINITION OF CIVILIAN COMPONENT, (C) REQUIREMENT FOR ROSTER

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TION OF CIVILIAN COMPONENT, (C) REQUIREMENT FOR ROSTER

OF US PERSONNEL, (D) DETERMINATION OF "REASONABLE QUANTITIES" OF SUPPLIES, (E) APPLICATION OF CIRCULATION TAX TO POV'S, (F) LABOR MATTERS, AND (G) CLAIMS. CONSIDERABLE CONSULTATION AMONG GOG AGENCIES WILL BE REQUIRED BEFORE THE NEXT SUBGROUP SESSION, WHICH IS PROPOSED FOR WEEK OF NOV 17-21. THE DRAFT OF A NEW MILITARY ASSISTANCE AGREEMENT WAS GIVEN TO GREEKS FOR GOG REVIEW AND SUBSEQUENT DISCUSSION OUTSIDE BASE RIGHTS NEGOTIATIONS. END SUMMARY.

1. THE SOFA SUBGROUP PURSUED ITS WORK IN ATHENS FROM OCT 20-26, WITH SESSIONS AVERAGING FROM 6-7 HOURS PER DAY. BY THIS TIME, THE PARTICIPANTS (GREEK SIDE - ECONOMIDES, MACHERITSAS, AND ANDRIKOS, US SIDE - GRUNAWALT AND PUGH) ARE THOROUGHLY FAMILIAR WITH THE ISSUES AND WELL ACQUAINTED WITH EACH OTHER, SO THAT FRANK AND DETAILED DISCUSSIONS WERE POSSIBLE NOT ONLY OF TEXTS BUT OF THE MOTIVATIONS UNDERLYING THESE. AS NOTED IN THE MOST RECENT CALOGERAS-STEARNES DISCUSSION (SEE PARA 10, REF A), THESE EXCHANGES SAW, INTER ALIA, FIRM STATEMENTS BY THE US SIDE CONCERNING THE LIMITATIONS BEYOND WHICH THE PSYCHOLOGICAL AND PRESENTATIONAL PROBLEMS OF THE GOG COULD NOT BE ACCOMMODATED. NEVERTHELESS, THE GREEK SIDE MADE A POINT IN THE LAST MEETING OF EXPRESSING ITS SATISFACTION WITH THE CORDIAL AND FRIENDLY ATMOSPHERE WHICH PREVAILED. THE PROGRESS MADE IN ARTICLE-BY-ARTICLE DISCUSSIONS IS DESCRIBED IN THE FOLLOWING PARAGRAPHS.

2. ARTICLE I (DEFINITIONS). PARAS 1 AND 3 ARE AGREED (TEXT IN REF B). PARA 2 (MILITARY TOURISTS) AND PARA 4 (CIVILIAN COMPONENT) ARE NOT AGREED.

A. THE GREEK SIDE REMAINS ADAMANT IN REFUSING TO EXTEND SOFA COVERAGE TO MILITARY TOURISTS AND THEIR DEPENDENTS, STRESSING THAT PARLIAMENT UNLIKELY TO ACCEPT SUCH A PROVISION. US SIDE THEN PROPOSED THAT MILITARY TOURISTS BE COVERED IN AN AGREED MINUTE AND, IF NECESSARY, THAT SUCH COVERAGE BE LIMITED TO SELECTED ARTICLES OF NATO AND BILATERAL SOFA'S. GREEK SIDE INDICATED SOME INTEREST IN THIS APPROACH BUT HAS NOT AGREED TO IT.
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B. THE GREEKS WERE DETERMINED THAT THE DEFINITION OF CIVILIAN COMPONENT BE AS LIMITED AS POSSIBLE. THE MAJOR AREA OF DISAGREEMENT INVOLVED THE LOCAL RECRUITMENT OF PERSONS INTO THE CIVILIAN COMPONENT, ESPECIALLY DEPENDENTS. BASED ON EXTRAPOLATION FROM WORDING OF FRENCH TEXT OF ARTICLE IX, PARA 4, GREEKS CONSIDER NATO SOFA TO REQUIRE THAT ALL MEMBERS OF THE CIVILIAN COMPONENT

MUST ACCOMPANY THE FORCE FROM ABROAD. HOWEVER, THE GREEK SIDE INDICATED THAT THEY MIGHT CONSIDER A REGIME WHICH WOULD STRICTLY LIMIT THE NUMBER OF DEPENDENTS WHO COULD BECOME MEMBERS OF THE CIVILIAN COMPONENT, SUGGESTING THAT THIRTY WOULD BE ABOUT RIGHT (BETWEEN 90-100 ARE NOW SO EMPLOYED). THE GREEK SIDE SUGGESTED POSSIBILITY THAT OTHER DEPENDENTS MIGHT CONTINUE TO BE EMPLOYED WITHOUT BEING SUBJECT TO GREEK LABOR LEGISLATION OR TAXES, BUT NOT BE INCLUDED WITHIN CIVILIAN COMPONENT. NET BENEFIT FOR GOG OF SUCH A MEANINGLESS DIFFERENTIATION WAS BEYOND KEN OF US DELEGATION. THE GREEK SIDE SEEMED TO BE RECEPTIVE TO A US SUGGESTION THAT AN AGREED MINUTE BE ADOPTED WHICH WOULD PROVIDE FOR A STATED NUMBER (TO BE AGREED) OF DEPENDENTS, CONTRACTORS, AND TECH REPS TO BE INCLUDED WITHIN THE CIVILIAN COMPONENT. THE US SIDE UNDERTOOK TO PREPARE A DRAFT FOR PRESENTATION AT THE NEXT ROUND. THE GREEK SIDE ACCEPTED THE US FORMULATION ON DUAL NATIONALS (REFS B AND C) BUT REGARDED TWO YEAR TRANSITIONAL PERIOD IN LAST SENTENCE AS TOO LONG. (THEY WILL PROBABLY ACCEPT EIGHTEEN MONTHS.)

3. ARTICLE II (CRIMINAL JURISDICTION). PREVIOUSLY AGREED TEXT (SEE REF D) WAS MODIFIED SO THAT LAST SENTENCES OF PARAS 1 AND 3 READ AS FOLLOWS:

1. QUOTE THE TRIAL OF SUCH CASES SHALL NOT COMMENCE...
UNQUOTE

3. QUOTE THE TRIAL OF SUCH CASES SHALL BE IN THE CIVILIAN COURTS AND ...UNQUOTE

4. ARTICLE III (CUSTODY). THE GREEK SIDE ACCEPTED, AT THE SUBGOUPP LEVEL, THE US DRAFT (SEE TEXT IN REF E). HOWEVER, FORMAL GREEK AGREEMENT NOT YET OBTAINED.

5. ARTICLE IV (IDENTIFICATION AND MOVEMENT OF PERSONNEL).
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PARAS 1 THRU 3 REMAIN AGREED. (SEE TEXT IN REF D).

A. PARA 4 NOT AGREED. THE US SIDE TABLED FOLLOWING DRAFT:
QUOTE 4. THE MILITARY AUTHORITIES OF THE UNITED STATES SHALL PERIODICALLY SUBMIT TO THE GREEK AUTHORITIES A REPORT OF THE NUMBER, COMPOSITION AND LOCATION OF THE UNITED STATES MILITARY FORCES, THE CIVILIAN COMPONENT, AND THEIR DEPENDENTS, IN GREECE. UNQUOTE.

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B. THE US SIDE THEN PRESENTED A COPY OF THE JUSMAGG STRENGTH REPORT (MILITARY/CIVILIAN/DEPENDENTS) FOR THE QUARTER ENDING SEP 30, 1975, STATING THAT THIS WAS THE PERIODIC REPORT CONTEMPLATED. GREEKS EXPRESSED SOME SURPRISE AT RELATIVELY SMALL SIZE OF CIVILIAN COMPONENT (410) AND LIMITED NUMBER OF MILITARY/CIVILIAN DEPENDENTS INCLUDED WITHIN THAT COMPONENT (ABOUT 100), PARTICULARLY WHEN CONTRASTED WITH SIZE OF LOCAL WORK FORCE (ABOUT 1650). GREEK SIDE ACCEPTED US PROPOSAL, BUT STILL INSISTED ON A SEPARATE LISTING OF NAMES OF MILITARY, CIVILIAN AND DEPENDENT MEMBERS, UPDATED WITHIN FIFTEEN DAYS OF ARRIVALS/DEPARTURES. US SIDE NOTED THAT ALL PCS TRANSFERS PASSED THRU GREEK IMMIGRATION CONTROL AND THAT ALL SUCH PERSONNEL CURRENTLY WERE ISSUED GREEK ID CARDS FOLLOWING SUBMISSION TO GREEK ALIEN REGISTRATION OFFICIALS OF DETAILED APPLICATION. US SIDE STRESSED THIS WAS NOT REQUIRED BY

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ANY AGREEMENT AND THAT IT COULD NOT AGREE TO SUCH A COMMITMENT BUT INDICATED WILLINGNESS TO CONTINUE CURRENT VOLUNTARY

PRACTICE. GREEK SIDE CONTINUED TO INSIST ON A MANDATORY PROVISION WHICH WOULD REQUIRE SUBMISSION AND DAILY UP-DATING OF COMPLETE LISTING OF NAMES. MATTER REMAINED UNRESOLVED.

6. ARTICLE V (COMMISSARY AND EXCHANGE). THE TWO SIDES AGREED TO INCORPORATE THE PROVISIONS PERTAINING TO COMMISSARY AND EXCHANGE MATTERS (ARTICLE V IN INITIAL US DRAFT) AS PARAS 5 THRU 8 OF ARTICLE VII (IMPORTATION). AFTER EXTENDED AND REPEATED DISCUSSION, THE TWO SIDES OF THE SUBGROUP AGREED ON THE FOLLOWING TEXT FOR SUBMISSION TO THEIR RESPECTIVE GOVERNMENTS:

QUOTE ARTICLE VII...5. THE GOVERNMENT OF THE UNITED STATES MAY ESTABLISH, REGULATE AND USE WITHIN GREECE, COMMISSARIES, MILITARY SERVICE EXCHANGES, MESSES, AND RECREATIONAL FACILITIES FOR THE EXCLUSIVE USE OF MEMBERS OF THE UNITED STATES FORCES, MEMBERS OF THE CIVILIAN COMPONENT, AND THEIR DEPENDENTS. THE NUMBER OF SUCH FACILITIES SHALL NOT EXCEED THAT WHICH IS REASONABLY NECESSARY TO MEET THE NEEDS OF AUTHORIZED PERSONS. UNLESS OTHERWISE AGREED BY THE TWO GOVERNMENTS, ALL SUCH FACILITIES SHALL BE LOCATED WITHIN THOSE INSTALLATIONS WHERE US MILITARY ACTIVITIES ARE CONDUCTED.

6. EXCEPT AS MAY OTHERWISE BE AGREED BETWEEN THE TWO GOVERNMENTS, COMMISSARIES, MILITARY SERVICE EXCHANGES, MESSES AND RECREATIONAL FACILITIES AND THEIR ACTIVITIES SUCH AS THE IMPORTATION, PURCHASE, AND SALE OF MERCHANDISE AND SERVICES SHALL BE FREE OF TAXES, DUTIES, CHARGES, OR RESTRICTIONS IMPOSED EITHER BY THE GOVT OF GREECE OR BY ITS POLITICAL SUBDIVISIONS. THE MILITARY AUTHORITIES OF THE UNITED STATES SHALL, TO THE MAXIMUM REASONABLE EXTENT, ENDEAVOR TO FULFILL THE FRESH PRODUCE REQUIREMENTS OF THE COMMISSARIES ESTABLISHED PURSUANT TO PARA 5 OF THIS ARTICLE BY PROCURING PRODUCE OF GREEK ORIGIN. IF MUTUALLY DEEMED NECESSARY, THE COMPONENT AUTHORITIES OF THE TWO GOVERNMENTS SHALL CONSULT IN ORDER TO FACILITATE SUCH PROCUREMENT.

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7. IT IS THE EXPRESS OBJECTIVE AND PURPOSE OF THE TWO GOVERNMENTS THAT ARTICLES AND SERVICES SOLD OR PROVIDED AT THE COMMISSARIES AND MILITARY SERVICE EXCHANGES SHALL BE FOR THE EXCLUSIVE USE OF AUTHORIZED PERSONS. TO THAT END, THE MILITARY AUTHORITIES OF THE UNITED STATES, IN COOPERATION WITH THE APPROPRIATE AUTHORITIES OF THE GREEK GOVT, WILL TAKE MEASURES NECESSARY TO PREVENT UNAUTHORIZED USE OF SUCH FACILITIES. SUCH MEASURES,

INCLUDING THE PROHIBITION OF THE RESALE OF ARTICLES SOLD UNDER THE PROVISIONS OF PARA 5 OF THIS ARTICLE TO PERSONS NOT ENTITLED TO PURCHASE MERCHANDISE FROM SUCH FACILITIES AND PERIODIC ACCESS TO THE COMMISSARIES AND MILITARY SERVICE EXCHANGES BY GREEK CUSTOMS AUTHORITIES TO OBSERVE CONTROL PROCEDURES AND TO CONSULT WITH THE COMPETENT UNITED STATES AUTHORITIES, SHALL BE INCORPORATED INTO A TECHNICAL ARRANGEMENT TO BE CONCLUDED BETWEEN THE COMPETENT AUTHORTIES OF THE TWO GOVTS.

8. THE US AUTHORITIES SHALL TAKE APPROPRIATE DISCIPLINARY MEASURES AGAINST MEMBERS OF THE US FORCES, THE CIVILIAN COMPONENT AND THEIR DEPENDENTS, WHO FAIL TO COMPLY WITH THE RULES AND REGULATIONS ESTABLISHED BY THE US GOVT TO PREVENT THE UNAUTHORIZED USE OF THE FACILITIES ESTABLISHED PURSUANT TO THIS ARTICLE.
UNQUOTE.

7. ARTICLE VI (APO) REMAINS AGREED (SEE TEXT REF E).

8. ARTICLE VII (IMPORTATION). THE ORIGINAL FORU PARAGRAPHS OF THIS ARTICLE REMAIN TO BE AGREED, WITH BOTH THE US AND GREEK DRAFTS STILL UNDER CONSIDERATION. THE PROBLEM STEMS FROM GREEK INSISTENCE THAT THE GOG MUST HAVE AN ACTIVE AND EQUAL ROLE WITH THE US IN DETERMINING WHAT SHALL CONSTITUTE QUOTE REASONABLE QUANTITIES UNQUOTE OF GOODS TO BE IMPORTED INTO GREECE FOR THE USE OF THE FORCE AND ITS MILITARY/CIVILIAN MEMBERS. THE GREEK SIDE PROPOSED THAT THIS ROLE BE EXERCISED THRU PERIODIC GOG APPROVAL OF US IMPORT PROGRAM, WHICH WOULD BE A PRE-REQUISITE TO THE IMPORTATION OF GOODS INTO GREECE FOR THE US FORCES AND THEIR MEMBERS, ET AL. WHEN QUERIED,
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THE GREEK SIDE STATED THAT THEIR PRIMARY CONCERN WAS IN PREVENTING BLACKMARKETING BUT REMAINED UNRECEPTIVE TO US SUGGESTION THAT THE SOLUTION TO THE PROBLEM WAS IN CONTROLLING THE POSSIBILITY OF ABUSE RATHER THAN THE SIMPLISTIC APPROACH OF HOST COUNTRY LIMITATIONS ON THE QUANTITY OF GOODS WHICH THE US FORCES COULD IMPORT. THE GREEKS REMAIN ADAMANT THAT THEY HAVE AN EQUAL VOICE IN THIS MATTER, LEAVING THE CLEAR IMPLICATION THAT THE US IS NOT TO BE TRUSTED TO IMPORT ONLY THAT WHICH IS REASONABLY REQUIRED. DESPITE THE US OFFER OF FULL CONSULTATION WITH GREEK AUTHORITIES REGARDING REASONABLE QUANTITY OF GOODS TO BE IMPORTED, THE MATTER REMAINS, AS GREEK SIDE STATED, THE SINGLE MOST IMPORTANT ISSUE TO BE RESOLVED.

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9. ARTICLE VIII (POV FEES AND TAXES). THE GREEK SIDE STATED THAT THE MINISTRY OF FINANCE HAD CHARACTERIZED THE CIRCULATION TAX AS A ROAD TAX AND CONTINUED TO INSIST THAT IT BE IMPOSED ON POV'S. THE GREEK DELEGATION ACCEPTED THE US ARGUMENT THAT THE CIRCULATION TAX IS A GENERAL REVENUE DEVICE AND IS NOT QUOTE IN RESPECT OF THE USE OF THE ROADS UNQUOTE WITHIN THE MEANING OF NATO SOFA ARTICLE XI (6). THEY UNDERTOOK TO SEEK A REVERSAL OF THE MINISTRY OF FINANCE POSITION. HOWEVER, THE MATTER REMAINS TO BE RESOLVED.

10. ARTICLE IX (FISCAL). AFTER LENGTHY DISCUSSION, THE TWO SIDES AGREED TO SUBMIT THE FOLLOWING DRAFT TEXT FOR THE CONSIDERATION OF THEIR RESPECTIVE GOVERNMENTS. QUOTE ARTICLE IX. 1. IN ACCORDANCE WITH ARTICLE XIV OF THE NATO STATUS OF FORCES AGREEMENT, AND UNLESS OTHERWISE
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CONTEMPLATED BY THIS AGREEMENT, THE US FORCES, THE CIVILIAN COMPONENT AND THE MEMBERS THEREOF, AS WELL AS THEIR DEPENDENTS, SHALL BE SUBJECT TO THE FOREIGN EXCHANGE REGULATIONS OF GREECE AND ALSO TO THE REGULATIONS OF THE US.

2. EXCEPT AS MANY OTHERWISE BE SPECIFICALLY AGREED BETWEEN THE TWO GOVTS, DRACHMAE TO BE USED FOR PAYMENTS IN GREECE BY THE US FORCES SHALL BE ACQUIRED THRU THE CENTRAL BANK OR OTHER AGENCY DULY DESIGNATED BY THE GREEK AUTHORITIES FOR THAT PURPOSE. THE RATE OF EXCHANGE FOR DRACHMAE ACQUIRED WITH DOLLQRS SHLL BE THE CENTRAL BANK'S OFFICIAL RATE IN FORCE ON THE DAY OF THE TRANSACTION.

3. THE GOVT OF GREECE WILL, AT THE REQUEST OF THE GOVT OF THE US, REPURCHASE AGAINST DOLLARS ANY UNUTILIZED BALANCE OF DRACHMAE PREVIOUSLY ACQUIRED BY THE US FORCES IN GREECE THRU THE CENTRAL BANK OR OTHER DULY DESIGNATED AGENCY. SUCH REPURCHASE WILL BE EFFECTED AT THE CENTRAL BANKS OFFICIAL RATE IN FORCE ON THE DAY OF SUCH REPURCHASE.

4. THE GOVT OF THE US MAY, FOR THE PURPOSES OF THIS AGREEMENT, IMPORT, EXPORT, POSSESS AND USE UNITED STATES CURRENCY OR INSTRUMENTS EXPRESSED IN THE CURRENCY OF THE UNITED STATES.

5. THE GOVT OF THE UNITED STATES MAY DISBURSE FUNDS TO THOSE PERSONS CATEGORIZED IN ARTICLE I, PARA 1 OF THIS AGREEMENT, IN THE UNITED STATES CURRENCY, OR INSTRUMENTS EXPRESSED IN THE CURRENCY OF THE UNITED STATES. UNQUOTE

11. ARTICLE X (MILITARY BANKS). THE TWO SIDES AGREED TO INCORPORATE ARTICLE X AS PARA 6 OF ARTICLE IX. THE FOLLOWING TEXT WAS AGREED:
QUOTE ARTICLE IX..6. THE GOVERNMENT OF THE UNITED STATES MAY ENTER INTO CONTRACTS WITH AMERICAN FINANCIAL INSTITUTIONS THAT ARE OTHERWISE LICENSED TO CONDUCT BANKING BUSINESS IN GREECE, TO MAINTAIN AND OPERATE MILITARY BANKING FACILITIES FOR THE EXCLUSIVE USE OF MEMBERS OF THE UNITED STATES FORCES,
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THE CIVILIAN COMPONENT, AND THEIR DEPENDENTS. THESE MILITARY BANKING FACILITIES SHALL BE MAINTAINED AND OPERATED UNDER US MILITARY BANKING REGULATIONS AND SHALL BE AUTHORIZED TO MAINTAIN US CURRENCY BANK ACCOUNTS

AND TO PERFORM ALL FINANCIAL TRANSACTIONS IN CONNECTION THEREWITH. INSTITUTIONS AUTHORIZED TO MAINTAIN MILITARY BANKING FACILITIES WILL ESTABLISH AND MAINTAIN SUCH FACILITIES WITHIN THOSE INSTALLATIONS WHERE US MILITARY ACTIVITIES ARE CONDUCTED AND WILL BE PHYSICALLY SEPARATED FROM THEIR GREEK COMMERCIAL BANKING BUSINESS, WITH PERSONNEL WHOSE SOLE DUTY IS TO MAINTAIN AND OPERATE SUCH FACILITIES.
UNQUOTE

12. ARTICLE XI (LABOR). THIS ARTICLE IS NOT AGREED.

A. THE US SIDE TABLED THE FOLLOWING DRAFT:

QUOTE ARTICLE XI...1. IN EXPENDING FUNDS FOR THE CONSTRUCTION, MAINTENANCE, OPERATION, ALTERATION AND REPAIR OF INSTALLATIONS AND FACILITIES REQUIRED BY THE US FORCES IN GREECE THE GOVT OF THE US SHALL, WHEREVER PRACTICABLE, PROCEED ON THE PRINCIPLE OF MAXIMUM UTILIZATION OF GREEK NATIONALS AS WORKERS, EMPLOYEES, AND SUPERVISORS, AND WHERE AVAILABLE ON A COMPETITIVE BASIS, OTHER GREEK SKILLS AND RESOURCES.

2. IN ORDER TO AVOID UNFAVORABLE EFFECTS ON THE ECONOMY OF GREECE, THE TWO GOVTS SHALL COOPERATE IN MATTERS RELATING TO THE RENTAL OF LIVING QUARTERS FOR PERSONNEL, DIRECT PURCHASE BY THE US FORCES OF GOODS AND SERVICES FROM GREEK SOURCES, AND REMUNERATION AND CONDITIONS OF EMPLOYMENT OF GREEK NATIONALS EMPLOYED BY THE US FORCES AS WORKERS, EMPLOYEES, AND SUPERVISORS.

3. EXCEPT AS MAY BE OTHERWISE AGREED BETWEEN THE TWO GOVERNMENTS, THE STANDARDS CONTAINED IN THE LAWS OF GREECE REGARDING THE WITHHOLDING AND PAYMENT OF INCOME TAXES AND SOCIAL SECURITY CONTRIBUTIONS, THE CONDITIONS OF EMPLOYMENT AND WORK, WAGES, SUPPLEMENTARY PAYMENTS, THE PROTECTION OF WORKERS, EMPLOYEES, AND SUPERVISORS, AND THE RIGHTS OF WORKERS, EMPLOYEES AND SUPERVISORS CONCERNING LABOR RELATIONS, WILL BE OBSERVED WITH RESPECT TO THE EMPLOYMENT OF LOCALLY RECRUITED LABOR, BUT SHALL NOT APPLY TO MEMBERS OF CONFIDENTIAL

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THE US FORCES OR OF THE CIVILIAN COMPONENT. THE TWO GOVTS SHALL CONSULT ON MATTERS EFFECTING LABOR RELATIONS AT THE REQUEST OF EITHER GOVERNMENT. UNQUOTE

B. THE GREEK SIDE SUBMITTED THE FOLLOWING COUNTER-DRAFT:

QUOTE ARTICLE XI...1. SUBJECT TO THE PROVISIONS OF ARTICLE I, PARA 4, OF THE AGREEMENT, THE GOVERNMENT OF THE UNITED STATES, IN EXPENDING FUNDS FOR THE CONSTRUCTION, MAINTENANCE, OPERATION, ALTERATION AND REPAIR OF INSTALLATIONS, AND FACILITIES REQUIRED BY THE UNITED STATES FORCES IN GREECE, SHALL UTILIZE GREEK NATIONALS AS WORKERS,

EMPLOYEES, AND SUPERVISORS AND, WHERE AVAILABLE, OTHER GREEK
SKILLS AND RESOURCES.

2. SAME AS US DRAFT.

3. GREEK LABOR LEGISLATION SHALL APPLY EXCLUSIVELY TO GREEK
NATIONALS RECRUITED BY VIRTUE OF PARA 1 OF THIS ARTICLE.
THE TWO GOVERNMENTS SHALL CONSULT ON MATTERS EFFECTING LABOR
RELATIONS AT THE REQUEST OF EITHER GOVERNMENT.

4. TO FACILITATE THE IMPLEMENTATION OF THIS ARTICLE, THE
COMPETENT AUTHORITIES OF THE TWO GOVTS SHALL CONCLUDE
A TECHNICAL ARRANGEMENT. UNQUOTE

C. THE TECHNICAL ARRANGEMENT CONTEMPLATED BY THE GREEK
DRAFT WOULD BE AN UPDATED VERSION OF THE AGREEMENT OF JULY 22,
1960, CONCERNING EMPLOYMENT OF GREEK PERSONNEL. THE TWO
SIDES UNDERTOOK TO REVIEW CAREFULLY THE DRAFT SUBMITTED BY
THE OTHER.

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13. ARTICLE XII (TAX RELIEF). THE GREEK SIDE WISHED TO SEE A COMPLETED TAX RELIEF AGREEMENT BEFORE ADDRESSING THE QUESTION OF WHETHER SUCH AN AGREEMENT SHOULD ONLY BE REFERRED TO IN THE SOFA IMPLEMENTING AGREEMENT TEXT OR APPEAR THERE IN ITS ENTIRETY. THE US SIDE RECOGNIZED THE LOGIC OF THIS POSITION AND HOPED TO BE IN A POSITION TO DISCUSS AT LEAST THE PRINCIPLES OF SUCH AN AGREEMENT DURING THE NEXT SOFA SUBGROUP SESSION.

14. ARTICLE XIII (ENTRY INTO THE FORCE).

A. THE US SIDE TABLED THE FOLLOWING DRAFT:

QUOTE ARTICLE XIII...1. THIS AGREEMENT SHALL ENTER INTO FORCE ON THE DATE OF SIGNATURE AND WILL REMAIN IN FORCE (BLANK) .

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2. EITHER GOVERNMENT MAY AT ANY TIME REQUEST THE REVISION OF ANY ARTICLE OF THIS AGREEMENT, IN WHICH CASE THE TWO GOVTS SHALL ENTER INTO NEGOTIATIONS THROUGH APPROPRIATE CHANNELS.

3. SIGNED IN ATHENS IN DUPLICATE IN THE GREEK AND ENGLISH LANGUAGES ON (BLANK) , BOTH TEXTS BEING EQUALLY AUTHORITATIVE. UNQUOTE

B. THE US SIDE NOTED THAT THE US HAD NOT ACCEPTED THAT A NEW UMBRELLA AGREEMENT MUST BE DEvised TO REPLACE THE 1953 MILITARY FACILITIES AGREEMENT BUT AGREED THAT THE NEW BILATERAL SOFA WOULD LOGICALLY BE TIED TO THE LIFE OF ANY SUCH AGREEMENT. THE GREEK SIDE ACCEPTED THE NECESSITY OF LEAVING THE MATTER OPEN AT THIS TIME. THE GREEK SIDE REQUESTED THAT PARA 2 BE SO WRITTEN AS TO PROVIDE TIME FOR THE GREEK PARLIAMENT TO REVIEW THE AGREEMENT SUBSEQUENT TO ITS BEING SIGNED AND PRIOR TO ITS EFFECTIVE DATE. THE US SIDE UNDERTOOK TO PREPARE SUCH A REDRAFT. THE GREEK SIDE ACCEPTED PARAS 2 AND 3 OF THE US DRAFT AS WRITTEN.

15. FOLLOWING COMPLETION OF THE ARTICLE-BY-ARTICLE DISCUSSIONS, THE TWO SIDES ADDRESSED THE GREEK PROPOSAL FOR AN INDEMNIFICATION PROVISION (ORIGINALLY ARTICLE X, PARA 1, OF THE GREEK DRAFT UMBRELLA AGREEMENT TABLED IN APRIL PLENARY) AND ITS INTERRELATIONSHIP WITH NATO SOFA ARTICLE VIII. THE GREEK SIDE EXPLAINED THAT THERE WERE US MILITARY ACTIVITIES, SUCH AS USE OF LIVE ORDNANCE IN AIR-TO-GROUND GUNNERY, WHICH PRESENTED DANGERS TO BOTH THE MILITARY AND CIVILIAN GREEK

COMMUNITY FOR WHICH HOST NATION OUGHT NOT TO BEAR SUBSTANTIAL LIABILITY. RECENT SIXTH FLEET USE OF HAF'S MALEME GUNNERY RANGE (NEAR SOUDA BAY) FOR A 30-DAY PERIOD DURING WHICH THERE WAS NO HAF UTILIZATION WAS CITED AS AN EXAMPLE. GREEKS WISHED INCLUDED IN THE BILATERAL SOFA A GENERAL STATEMENT INDICATING THAT NATO SOFA ARTICLE VIII APPLIED EXCEPT AS OTHERWISE AGREED BETWEEN TWO GOVERNMENTS, FOLLOWING WHICH DEVIATIONS, IF NECESSARY, WOULD BE ADDRESSED IN TECHNICAL ARRANGEMENTS WHICH, IN GREEK SCHEME OF THINGS, WOULD BE NEGOTIATED FOR EACH INSTALLATION AS SUBSIDIARY AGREEMENTS TO AN UMBRELLA ACCORD. THERE, PARTICULAR DANGERS ENTAILING GREAT DAMAGE OR LOSS OF LIFE MIGHT BE ADDRESSED, CONFIDENTIAL

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AND JUNE 11, 1964, NAMFI AGREEMENT WAS CITED AS MODEL TO FOLLOW. US SIDE THEN ASKED HOW GREEK CONCEPT WOULD AFFECT NATO SOFA ARTICLE VIII, PARA 1 OR PARA 2, AND GREEKS ACKNOWLEDGED THEY HAD NOT THOUGHT CONCEPT THROUGH. US SIDE THEN PROVIDED COPY OF NAMFI AGREEMENT PROVISION (APPENDIX 3 TO ANNEX D) FOR GREEK PERUSAL, WHEREUPON DISCUSSION OF THIS AS MODEL CEASED. GREEKS NOTED THAT IN NEGOTIATIONS ON NATO AIR WEAPONS TRAINING CENTER (NAWTC) THEY HAD TABLED PROVISION OF KIND THEY WISHED.

ALTHOUGH SOMEWHAT EMBARRASSED BY INABILITY TO ADDRESS SPECIFICS OF ITS RELATIONSHIP TO NATO SOFA ARTICLE VIII OR APPLICABILITY TO SPECIFIC INSTALLATIONS, GREEK SIDE HELD TO ITS VIEW THAT SOME INDEMNIFICATION PROVISION WOULD BE NECESSARY, ARGUING SOMEWHAT TESTILY THAT US SIDE FREQUENTLY CITED NATO SOFA PREAMBULAR LANGUAGE RE SEPARATE PROVISIONS TO JUSTIFY ITS REQUIREMENTS AND GREEK SIDE SIMILARLY HAD NEEDS. DISCUSSIONS ON THIS MATTER CONCLUDED WITH GREEK SIDE IN CONSIDERABLE CONFUSION AS TO JUST WHAT GOG REQUIRED. SOME REFINEMENT OF THIS GREEK PROPOSAL AT THE NEXT ROUND MIGHT THEREFORE BE ANTICIPATED.

16. MILITARY ASSISTANCE AGREEMENT. DURING APRIL 1975 SOFA SUBGROUP MEETINGS, THE GREEK DELEGATION ALSO INDICATED A GOG DESIRE TO BRING UNDER THE COVERAGE OF THE NATO SOFA, AND OF THE BILATERAL SOFA IMPLEMENTING AGREEMENT CURRENTLY BEING RENEGOTIATED, US ELEMENTS WHOSE STATUS WAS REGULATED BY ASSISTANCE AGREEMENTS, NOTABLY JUSMAGG AND VOA. AT THE END OF THE LAST NEGOTIATING MEETING OF THIS SESSION, THE US SIDE PROVIDED TO THE GREEK DELEGATION THE DRAFT OF A NEW MILITARY ASSISTANCE AGREEMENT WHICH HAD BEEN FULLY COORDINATED WITH INTERESTED WASHINGTON AGENCIES. THE US SIDE EXPLAINED THAT THIS DRAFT WAS INTENDED TO SUPPLANT THE EARLIER ASSISTANCE AGREEMENTS AND TO PROVIDE SUITABLE STATUS FOR JUSMAGG. THE US SIDE NOTED THAT SINCE THIS STATUS WOULD NOT BE THE SAME AS THAT BEING NEGOTIATED FOR THE US FORCES IN GREECE, THE DRAFT WAS MADE AVAILABLE FOR GREEK

STUDY FOLLOWING WHICH ANY DISCUSSION OF IT SHOULD TAKE PLACE WITH THE US EMBASSY BUT OUTSIDE THE FRAMEWORK OF THE CURRENT NEGOTIATIONS. THE US SIDE ALSO POINTED OUT THAT MOST OF THE TEXT REPRESENTED REQUIREMENTS OF US LEGISLATION AND THAT, AS A CONSEQUENCE, IT WOULD BE DIFFICULT TO NEGOTIATE SUBSTANTIAL CHANGES. THE GREEK SIDE EXPRESSED ITS APPRECIATION AT RECEIVING THE DRAFT MILITARY ASSISTANCE AGREEMENT.

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TIATE SUBSTANTIAL CHANGES. THE GREEK SIDE EXPRESSED ITS APPRECIATION AT RECEIVING THE DRAFT MILITARY ASSISTANCE AGREEMENT.

17. NEXT SOFA SUBGROUP SESSION. THE US SIDE REITERATED ITS READINESS TO HOST THE GREEK SIDE IN WASHINGTON FOR THE NEXT SESSION OF NEGOTIATIONS. THE GREEK SIDE ONCE MORE EXPRESSED ITS WILLINGNESS, AS INDIVIDUALS, TO MEET THERE BUT SAID THAT THE MATTER HAD NEVER BEEN DISCUSSED WITH IT BY OTHER GREEK OFFICIALS. THE US SIDE NOTED THAT THE MATTER HAD BEEN TOUCHED UPON AGAIN IN THE MOST RECENT STEARNS-CALOGERAS CONVERSATION AND APPARENTLY STILL HAD TO BE PUT TO THE FOREIGN MINISTER. IT WAS AGREED THAT WHEREVER IT TOOK PLACE, IN LIGHT OF THE TIME REQUIRED FOR THE PRIOR RE-EXAMINATION OF POSITIONS AND OF THE LIKELIHOOD OF ANOTHER PLENARY ROUND FOLLOWING IT AND BEFORE THE END OF 1975, THE MOST APPROPRIATE PERIOD WOULD BE THE WEEK OF NOVEMBER 17-21.

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